

**Spokane Employees' Retirement System (SERS)
Board Meeting Minutes
July 30, 2014**

Bill Todd called the regular monthly meeting to order at 1:30 pm in the 5th Floor Conference Room at City Hall.

Present: Bill Todd, Mike Coster, Mike Cavanaugh, Dean Kiefer, Jerry McFarlane, Brian Brill and Jon Snyder

Staff: Christine Shisler, Donald Brown and Tim Szambelan

Guests: Joe Cavanaugh, Joan Hamilton, Jim Tieken, Heather Lowe and John Bjork

Minutes of the June 25, 2014 Meeting

Jerry McFarlane moved and Mike Cavanaugh seconded the motion to approve the minutes of the June 25, 2014 meeting as distributed. The motion passed unanimously.

Service Retirements

Name	Age	Retirement Date	Years of Service	Option	30-day Notice
Kevin D. Brownlee	54	06/24/2014	12.8	ST	N
Marilou I. Lewis	64	07/01/2014	9.6	ST	N
Kenneth E. Pelton	58	07/12/2014	29.9	E	N
Mark E. Mattke	50	07/14/2014	7.2	ST	N
Glenn B. Kibbey	53	08/02/2014	20.0	D	Y
Laurence A. Dennis	60	08/08/2014	31.2	ST	Y
Patricia A. Hammett	55	08/16/2014	6.3	ST	N

Dean Kiefer moved and Brian Brill seconded the motion to approve the retirements as presented on the July Retirement Transaction Report. The motion passed unanimously.

Withdrawals for July 2014

Name	Termination Date
Edward G. McDaniel	05/05/2011
Wendy M. Jones	05/01/2014
Jesse D. Jones	06/14/2014
Jason A. Butler	07/20/2014

Jon Snyder moved and Mike Cavanaugh seconded the motion to approve the requests for withdrawal as presented on the July Retirement Transaction Report. The motion passed unanimously.

Deaths

Name	Date of Death	Age	Information
Arthur D. Roberts	93	06/18/2014	No Further Benefits
Lloyd C. Gaines	79	07/11/2014	Option E Continues

Death information was provided to the Board for review.

Executive Search Firm RFP

Heather Lowe discussed with the Board the firms who have responded to the RFP and what would be the next steps. A meeting was scheduled for the following week to rank and select the candidates.

Director's Report

Expenditure Summary Report – June 2014

The Expenditure Summary Report was presented to the Board and discussed.

Mike Coster moved and Jon Snyder seconded the motion to approve the June 2014 Expenditure Summary Report. The motion passed unanimously.

Schedule of Investments – June 2014

The monthly investment report was presented to the Board for review. The market value of the SERS portfolio on June 30, 2014 was \$290.6 million.

Consultant Contracts

The SERS Board Rule XIII states that consultant contracts are to be reviewed at least every five years. Staff recommended that the contract review be extended due to the vacancy of the Retirement Director.

Mike Cavanaugh moved and Jon Snyder seconded the motion to stay the consultant review and associated RFP processes until the Retirement Director position has been filled. The motion passed unanimously.

Graviton Contract

With the addition of the new tier to SERS, the pension payroll system in PeopleSoft will need to be updated. Per the City's IT Department, the services must be obtained from an outside vendor.

Mike Coster moved and Mike Cavanaugh seconded the motion to enter into contract with Graviton to make the necessary changes to the Pension Payroll system to accommodate the new tier. The motion passed unanimously.

Other Business

The question was raised regarding changing the current interest rate on contributions from 2.5% annually to 2.3% annually. Staff reminded the Board that the interest rate was discussed when the actuaries are here in April. The Board asked Staff to consult the actuaries about what impact there would be to the Plan to make a change to the interest rate to 2.3%.

There being no other business, the meeting adjourned at 1:59 pm.

/s/

Christine Shisler, Assistant Retirement Director